



# OFFICE MEMORANDUM

**DATE:** June 25, 1996

**TO:** District Engineers  
District Field/Construction Engineers  
Resident/Project Engineers

**FROM:** Paul F. Miller  
Engineer of Construction

**SUBJECT:** **CONSTRUCTION CIRCULAR LETTER 1996-2**  
**Mobilization**

Attached is a Special Provision for Mobilization which will be incorporated into all projects beginning with the July 1996 letting. This special provision establishes the same wording which will be a part of the new 1996 Standard Specifications for Construction. Maximum mobilization on projects will be determined based upon the estimated contract amount (ECA). By copy of this letter, the Design Division is hereby advised that the maximum amount for projects will be computed as follows:

ECA	Maximum Allowed Mobilization
\$0 to \$20,000,000	5% of ECA up to \$1,000,000
Projects over \$20,000,000	Design and Construction Divisions to set individual mobilization on each project.

When reimbursing for mobilization, the partial payment schedule was not changed. However, the Contractor can receive reimbursement of project specific bonding, insurances and permits, with pay estimates for work completed, before 5 percent of the original contract amount is earned. The Contractor must submit a paid invoice to receive this reimbursement. After this amount is reimbursed, it is subtracted from the total Mobilization bid and the new amount is used for the partial payment in the schedule.

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Engineer of Construction

PFM:JTL:KJH:jp

Attachment

cc:	R. Welke	C. Arnold	R. Beckon	MAPA
	T. Coleman	C. Roberts	AUC	MMRC
	G. Taylor	S. Hohl	FHWA	Counties
	P. Isom	J. Brown	MRBA	ConstDivE/T
	J. O'Doherty	L. Hawkins	MCA	
	R. Maki	J. Heilman	MCPA	

**Subject Index: Mobilization**

MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
BUREAU OF HIGHWAYS

SPECIAL PROVISION  
for  
**MOBILIZATION**

CD:JTL/MLL

1 of 1

C:APPR:JTL:KJH 6/25/96

A. **Description.** Section 6.23 of the 1990 Standard Specifications for Construction is hereby deleted and replaced with the following: This item shall consist of preparatory work and operations, including, but not limited to the following:

1. The movement of personnel, equipment, supplies, and incidentals to the project site.
2. The establishment of the Contractor-s offices, buildings, and other facilities to work on the project.
3. Other work and operations that must be performed.
4. Expenses incurred, prior to beginning work on the various contract items on the project site.
5. Pre-construction costs, exclusive of bidding costs, which are necessary direct costs to the project rather than directly attributable to other pay items under the contract.

B. **Measurement and Payment.** The completed work as measured for MOBILIZATION will be paid for at the contract unit price for the following contract item (pay item).

<b>Pay item</b>	<b>Pay Unit</b>
Mobilization, Max. _____	Lump Sum

**Mobilization** will be measured as a lump sum. The pay item will state the maximum amount that can be bid. When the percentage of the original contract amount earned is less than 5 percent , the costs of project specific bonding, insurances and permits will be reimbursed when a paid invoice is received by the Engineer. The costs of these will then be subtracted from the total amount bid for Mobilization. Partial payments will be made in accordance with the Partial Payment Schedule shown below. The original contract amount is the total value of all contract items including the mobilization item. The percentage earned is exclusive of the mobilization item.

The total sum of all payments for this item shall not exceed the original contract amount bid for **Mobilization**, regardless of the fact that the Contractor may have, for any reason, shut down his work on the project, moved equipment away from the project and then back again, or for additional quantities or items of work added to the contract.

Nothing herein shall be construed to limit or preclude partial payments otherwise provided by the Contract.

Partial Payment Schedule	
Percentage of Original Contract Amount Earned	Percentage of Bid Price for Mobilization Allowed
5 .....	50
10 .....	75
25 .....	100

When a pay item for mobilization is not included in the request for proposal, payment for any such work required is considered to have been included in payments made for other items of work.